Town of Spring Lake
Special Meeting of the Board of Aldermen
Municipal Building
300 Ruth Street
Spring Lake, NC 28390

April 7, 2015 **MINUTES** 6:30 p.m.

A majority of the Spring Lake Board of Aldermen was in attendance at a community forum on the financial update of the Town. The majority of Board members being present constituted a special meeting of the Spring Lake Board of Aldermen.

Board Members Present: Mayor Chris Rey
Mayor Pro Tem O'Garra
Alderman James Christian
Alderwoman Densie Lucas
Alderwoman Fredricka Sutherland (participated via telephone)

(A copy of the Public Notice is hereby incorporated by reference and made a part of these minutes – see attachment one.)

Mayor Rey provided attendees with an overview of what has happened to date regarding the purchase cards and the investigation of the purchase card use. He stated the possible misuse was brought to the Board's attention on March 9, 2015 and on March 13, 2015 the Board held a Special meeting to address the concerns raised by Ms. Perry. On March 23, 2015 the Town Manager resigned. On March 26, 2015 the North Carolina State Auditor's Office came in to begin their investigation. By this time the Board had put a temporary Interim Manager in place, placed the current Interim Finance Director on Administrative leave and hired an outside Interim Finance Director. By April 6, 2015 the Board had hired a permanent Interim Finance Director to oversee the investigation and all upcoming budget processes. He assured the citizens that the Board had done everything humanly possible to get on top of this situation and have tried to keep the citizens informed every step of the way. He also stated that the Board welcomes the State because "we can't fix what we don't know is wrong." He further advised a plan to hire an independent firm to rebuild our internal controls and said that is something that must be done now. He promised to retrain employees to adhere to policy and requested patience while we wait for the report from the State Auditor's Office at which time they will make sound decisions based on sound information.

Following the announcement, attendees were given the opportunity to ask questions. Concerns were expressed about the cost of the internal control audit, public inventory being accounted for, the vetting process used on potential employees, the former Interim Finance Director's pay increases, information being presented to citizens first before it is released through other media outlets, the additional $5,000 that was given by the Board to the Economic Development Corporation, the need for unity among citizens, Board Members and staff and a request was made to consider expanding the bus service.

There was no action taken by the Spring Lake Board of Aldermen.

Rhonda D. Webb
Rhonda D. Webb, MMC, NCCMC
Town Clerk

TOWN OF SPRING LAKE SEAL NORTH CAROLINA

ATTEST:

Chris Rey
Chris V. Rey
Mayor